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## Brazil

### Poultry and Products

### Semi-Annual Poultry Report

## 2008

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**Report Highlights:**

Post revised broiler production and trade in 2008 to reflect new estimates made by trade sources. Broiler production is likely to increase by 5 percent in 2008, reflecting firm domestic and export demand for broilers. In 2007, broiler exports set an all time record both in volume and value. Turkey production and exports are also expected to increase in 2008.

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## Executive Summary

Post revised broiler production and trade in 2008 to reflect new estimates made by trade sources. Broiler production is likely to increase by 5 percent in 2008, reflecting firm domestic and export demand for broilers. Turkey production and exports are also expected to increase in 2008.

The outlook for the Brazilian economy in 2008, despite the current world economic uncertainties, calls for an economic growth around 5 percent and continued rising in consumer's real income. This favorable outlook supports a firm domestic demand for animal protein. However, poultry producers also remain concerned about the impact of biofuels and world demand on feed prices; even though Brazil's 2007-08 corn and soybean crops are projected to break record levels. In addition, poultry producers expect more competition from beef in the domestic market in 2008 and continued appreciation of the Brazilian currency.

## Commodity Outlook, Broilers

### Production

Post revised upwards broiler production in 2008 to 10.8 million metric tons, 5 percent higher than last year's record production of 10.3 million metric tons. Basically, higher broiler production reflects record broiler exports combined with strong domestic demand. However, in 2008, broiler producers will likely have strong competition in the domestic market from beef producers as traders estimate more beef available at favorable prices for Brazilian consumers due to a reduction in beef exports. Still, broiler exports are estimated to grow by over 7 percent and break another record.

Brazilian poultry producers are also concerned with the continued increase in the cost of feed. In 2007, the price of soybean meal averaged US\$0.54 per kilogram, up 28 percent from the previous year, while the price of corn averaged US\$ 0.20 per kilogram, up 54 percent from 2006. In addition, the appreciation of the Brazilian currency in 2007 reached 17 percent in 2007, although this factor seemed likely to not impact exports.

### Trade

Post revised upwards broiler exports in 2008 to another record estimated at 3.1 million metric tons. This reflects new estimates made by trade sources since world demand remains strong for the Brazilian product, mostly in the Middle East, Asia and Europe.

Post also revised export data for 2007 in view of the final numbers obtained from the trade. Brazilian broiler exports in 2007 set another record in both volume and value. Total volume exported increased by 21 percent from 2006 to nearly 3.3 million metric tons, including further processed and salted broilers. The total export value increased by 55 percent from 2006 to nearly US\$ 5 billion, due to a 28 percent increase in the average export price. Although the European Union remained as the largest importer of Brazilian broilers, the major increase in exports in 2007 was to the United Arab Emirates, Venezuela and Hong Kong.

## Tables

## PSD Table, Poultry, Meat, Broiler

PSD Table Country Brazil Commodity Poultry, Meat, Broiler (MIL HEAD)(1000 MT)(PERCENT)										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Inventory (Reference)	38	38	38	41	41	42	42	42	42	(MIL HEAD)
Slaughter (Reference)	4580	4580	4580	4860	4860	5152	5100	5100	5255	(MIL HEAD)
Beginning Stocks	0	0	0	0	0	0	0	0	0	(1000 MT)
Production	9355	9355	9355	10105	10105	10305	10550	10550	10820	(1000 MT)
Whole, Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Parts, Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Other Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	9355	9355	9355	10105	10105	10305	10550	10550	10820	(1000 MT)
Whole, Exports	858	858	949	850	850	1167	850	850	1190	(1000 MT)
Parts, Exports	1644	1644	1554	2055	2055	1755	2250	2210	1950	(1000 MT)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	2502	2502	2503	2905	2905	2922	3100	3060	3140	(1000 MT)
Human Consumption	6853	6853	6853	7200	7200	7383	7450	7490	7680	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	6853	6853	6852	7200	7200	7383	7450	7490	7680	(1000 MT)
Total Use	9355	9355	9355	10105	10105	10305	10550	10550	10820	(1000 MT)
Ending Stocks	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Distribution	9355	9355	9355	10105	10105	10305	10550	10550	10820	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

## Export Trade Matrix, Broiler Exports, Jan-Dec 2006-07

**Export Trade Matrix****Country**

Brazil

**Commodity**

Poultry, Meat, Broiler

Time Period	Jan-Dec	Units:	Metric Tons
Exports for:	2006		<b>2007</b>
U.S.	0	U.S.	0
Others		Others	
Angola	32661		44561
China	27475		12319
European Union	416159		441266
Hong Kong	294954		357048
Japan	322803		331574
Kuwait	99564		122889
Russia	191444		188314
Saudi Arabia	339468		380457
Singapore	74594		88569
South Africa	194628		192584
UAE	147129		195389
Venezuela	122720		160070
Total for Others	2263599		2515040
Others not Listed	449455		647376
Grand Total	2713054		3162416

## PSD Table, Poultry, Meat, Turkey

PSD Table Country Brazil Commodity Poultry, Meat, Turkey (MIL HEAD)(1000 MT)(PERCENT)										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Inventory (Reference)	0	33	0	0	0	0	0	0	0	(MIL HEAD)
Slaughter (Reference)	36	0	36	37	0	38	39	0	40	(MIL HEAD)
Beginning Stocks	0	0	0	0	0	0	0	0	0	(1000 MT)
Production	353	310	353	380	0	395	420	0	438	(1000 MT)
Whole, Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Parts, Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Other Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	353	310	353	380	0	395	420	0	438	(1000 MT)
Whole, Exports	4	0	4	1	0	4	2	0	5	(1000 MT)
Parts, Exports	152	187	152	162	0	173	178	0	198	(1000 MT)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	156	187	156	163	0	177	180	0	203	(1000 MT)
Human Consumption	197	123	197	217	0	218	240	0	235	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	197	123	197	217	0	218	240	0	235	(1000 MT)
Total Use	353	310	353	380	0	395	420	0	438	(1000 MT)
Ending Stocks	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Distribution	353	310	353	380	0	395	420	0	438	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

Export Trade Matrix, Turkey Exports, Jan-Dec 2006-07

# Export Trade Matrix

**Country**

Brazil

**Commodity**

Poultry, Meat, Turkey

Time Period	Jan-Dec	Units:	Metric Tons
Exports for:	2006		2007
U.S.	0	U.S.	0
Others		Others	
Angola	2713		3505
Congo	2436		3381
European Union	98679		110347
Gabon	5802		7931
Hong Kong	1807		2963
Peru	2070		1950
Russia	11100		7367
South Africa	15174		15175
Total for Others	139781		152619
Others not Listed	16274		24711
Grand Total	156055		177330